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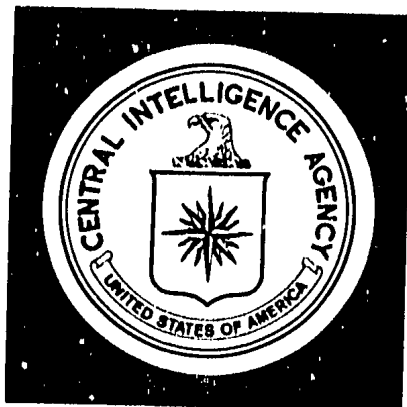
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Developments in Indochina

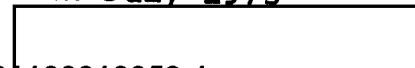
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Developments in Indochina

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SOUTH VIETNAM

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The Kontum Fighting

For some weeks now, heavy fighting has been raging in Kontum Province for control of two villages west of the provincial capital. The action has been especially heavy since the "new" cease-fire went into effect on 15 June, because both sides want to establish firm control over the disputed territory: the Communists to establish a buffer zone between themselves and the South Vietnamese, and the government to deny the Communists easy access to the outskirts of Kontum City.

During the past few days, the two sides have intensified the rhetoric and the level of fighting. The Communists rocketed Kontum City on 28 June during an inspection trip by President Thieu, and the South Vietnamese responded with heavy air strikes against an important Communist administrative complex and airfield at Dak To north of Kontum City. On 3 July, Liberation Radio threatened attacks on government "rear bases," and three days later the Communists rocketed Pleiku City. The Communists also advised the residents in Kontum City that they soon would surround the capital and permit no one to leave--producing some hasty, but limited, evacuation.

Recently the government has greatly exaggerated the size of the Communist units involved in the attacks and has threatened to use additional main force units "to cope" with them.

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There is still no sign that either side is ready to go all out on the Kontum front, but neither is there any indication that either side is willing to back down. Both sides currently lack the necessary strength for decisive action--the government does not have enough forces in Kontum to push the Communists out of the areas they occupy, and Communist units are not large enough to surround Kontum City and cut it off from the outside long enough to collapse the city's defenses. The military stalemate in the area is likely to continue, but as the frustration mounts, the fighting is escalating and could spread to other areas of the country.

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Movement in South Vietnam's Foreign Relations

During the war years, South Vietnam seldom gave high priority to its diplomatic relations with countries other than the US. Saigon maintains some form of relations with about 80 nations and has permanent representation in 31, but the performance over the past years of some of the country's diplomats, as well as of some senior Foreign Ministry officials, has been less than effective.

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Since the Paris agreement was signed last January, Saigon has been working to spruce up its image overseas. The disengagement of the US from Southeast Asia and the prospect of increased political competition with the Communists appear to have prompted the Thieu government to give more attention to its diplomatic relations. New ambassadors recently have been appointed to several posts, and President Thieu's closest aide, Houng Duc Nha, apparently has been playing a greater role in foreign affairs.

The government's major concern has been to ensure a continued flow of aid from the US, as well as to

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develop new sources of aid from other countries. This was the main purpose of Thieu's trip to the US last April, and then to several European and Asian capitals. Saigon apparently considers its current aid negotiations with Japan to be particularly important. South Vietnam and France recently re-established full diplomatic relations, and a newly arrived South Vietnamese diplomat in Paris has indicated that his most important task is to stimulate a French aid program.

One especially thorny problem at the moment is the Vietnamese Communist effort to enhance the diplomatic standing of the PRG--a campaign that, if successful, obviously would undermine Saigon's claim that it is the only valid regime in the South. The Thieu government apparently is considering whether to change its policy on dealing with countries that recognize the PRG. In the past, Saigon cut all ties with about a dozen such countries, but Foreign Minister Lam indicated a more flexible approach last week in recommending to Thieu that South Vietnam not break relations with Senegal, which announced recognition of the PRG last week. Lam did say he felt energetic measures were necessary to head off other African states that might be considering similar action.

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INTERNATIONAL

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Le Duan, Pham Van Dong Visit to
the USSR--First Impressions

North Vietnam's leaders are getting a very warm public reception from the Soviets during their visit to the USSR. An unprecedented number of Politburo members, including Brezhnev, Kosygin, Podgorny, Gromyko, and Grechko, took part in the arrival ceremony on 9 July and the first formal round of talks on 10 July. The arrival ceremony was televised, and large crowds of Moscovites were on hand (according to TASS, "thousands;" according to VNA, "nearly a million") to greet the Vietnamese motorcade on its way into town.

The first round of formal talks apparently went fairly well and reportedly covered everything from "topical international questions" (the recent Soviet-US summit) to specific problems in Soviet-Vietnamese bilateral relations. At the luncheon that followed, Brezhnev announced the USSR had decided to absolve the North Vietnamese of their military and economic aid debts to the USSR. He underlined the USSR's interest in developing full-scale "economic" relations with the DRV. The rest of Brezhnev's remarks, however, could not have been very comforting to the Vietnamese. He said nothing about future Soviet military assistance; he underscored the need for all parties to abide by the cease-fire agreements; and he vigorously defended the USSR's detente policies. In particular, he praised the Soviet-American agreement on the prevention of nuclear war and stressed that the USSR would be taking other steps to further the process of political and military detente.

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CAMBODIA

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Reactions to a Bombing Halt

Initial Cambodian reactions to the impending bombing halt next month have been mixed. Former Defense Minister General Thappana Nginn was guardedly optimistic on 8 July, saying that he felt the Cambodian Army could hold on without US air support. Thappana admitted that poor field leadership, corruption, and an inefficient logistical system would continue to be problems, but said that morale among senior officers was reasonably good and cited decreased battlefield desertions as an encouraging sign. On the other hand, Brigadier General Un Kauv, the respected commander of the elite 7th Division, struck a more pessimistic note, claiming that air support was vital. He recently stated that government units would continue to fight without US air cover, but that their efforts would be "futile."

At least one important field commander shares Un Kauv's gloomy outlook. In isolated Kampot City, the ranking army officer--who also serves as governor of Kampot Province--has said that if army units were deprived of US air support, only South Vietnamese intervention could prevent a Communist takeover of the entire country. The officer said that he had visited Phnom Penh in early July for guidance on what to do in the eventuality of a bombing halt, but found the government had no contingency plans. Provincial authorities in other isolated urban centers, such as Takeo, Svay Rieng, and Kompong Thom, have yet to be heard from, but given their heavy dependence on tactical air support and aerial resupply, they, also, are probably pessimistic.

The government-controlled press in Phnom Penh has hit hard on the need for continued US air support after 15 August claiming that it is an essential

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element in successful negotiations with the other side. High government officials in Phnom Penh thus far have had little comment on a bombing halt. The prospect of the loss of US air support, however, may have spurred Lon Nol to pay more attention to some of the army's fundamental problems. On 8 July, the President officially handed over the responsibility for overseeing military matters to Sirik Matak. If Lon Nol indeed gives him free rein, then Matak, given his good relations with the General Staff, could be expected to make some headway in dealing with problems such as recruitment, payroll padding, and poor logistic procedures.

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